



**Town of Brewster**  
**Community Preservation Committee**  
2198 Main Street  
Brewster, Massachusetts 02631-1898  
(508) 896-3701 x 133  
Fax (508) 896-8089



## APPLICATION FOR COMMUNITY PRESERVATION ACT FUNDING

Date Application Submitted: November, 2015

Name of Project Applicant: Harwich Ecumenical Council for the Homeless (HECH)

Name of Co-Applclicant(s), if applicable: \_\_\_\_\_

Name of Contact Person: Susan Roettig, Executive Director

Contact Person's Mailing Address: P.O. Box 638 West Harwich, MA 02671

Contact Person's Daytime Phone Number: 508-432-0015 x102

Contact Person's e-mail Address: susan@hech.org

Proposed Project Name: Brewster – Housing Emergency Loan Program (HELP)

Project Address (or assessor's parcel ID): N/A

### Project Synopsis:

The Housing Emergency Loan Program is an ongoing CPA program that provides technical and financial assistance to Brewster homeowners to preserve properties by replacing failing roofs, windows, siding, heat/hot water systems; and ensure decent, safe, warm and sanitary housing conditions for income-qualifying low to moderate (LMI) residents of Brewster. HECH program staff will assist homeowners through the entire process, including: income qualifying the applicant according to HUD guidelines; preparing cost estimates to preserve Brewster homes; securing approval as necessary from the Massachusetts Historical Commission; managing the bid process; providing contract review; supervising construction and all financial oversight. Each project results in a 0% interest free deferred loan on the property, creating four or more affordable housing units in Brewster. Funds are reimbursed to the Town of Brewster when the home is sold or transferred, replenishing the CPA funds.

Category: ☐ Open Space ☐ Historic Preservation ☐ Recreation ☒ Affordable Housing

CPA funding requested \$ 118,000 Total Cost of Proposed Project \$ 118,000

## **1. PROJECT DESCRIPTION**

The Brewster Housing Emergency Loan Program (HELP) is an ongoing program created to address Affordable Housing by preserving and supporting the housing stock for Low to Moderate income (LMI) residents of the Town of Brewster, LMI limits are set by HUD at 80% average median income for Barnstable County.

The HELP program will offer income-qualifying LMI residents of Brewster a loan of up to \$25,000 to secure their housing “envelope” by providing new roofs, windows and siding; addressing health and safety code issues; upgrading failing systems to energy efficient systems; and ensuring decent, safe, warm and sanitary housing conditions. HECH Program staff will assist homeowners through the entire process, including: income qualifying the applicant according to HUD guidelines; preparing cost estimates to bring properties up to code so that they are water-tight; securing approval as necessary from the Massachusetts Historical Commission; managing the bid process; providing contract review; providing financial oversight and supervising construction.

To qualify, applicants must be income eligible and own a home in the Town of Brewster which must be their primary residence. Each project results in a lien on the property and a 0% loan that would require funds to be paid back to the Town of Brewster upon sale of said property. Refinancing requires approval by the Town of Brewster. In addition, the program allows landlords and owners of units in existing buildings to create new affordable year round rental properties that will house income qualified tenants. Each of these projects results in a lien on the property requiring the new unit to remain an affordable rental property in perpetuity.

### **Program Design:**

#### **Marketing:**

Marketing materials could include newspaper articles, Lower Cape Community Access Television, flyers posted in accessible public venues throughout Brewster such as at Town Hall, Brewster Ladies’ Library, Brewster Council on Aging, places of worship, etc. Flyers and/or pre-applications will also be sent home in the backpacks of local school children. The HELP program will be advertised on the HECH website and promoted through social media channels as well. HECH suggests the Town of Brewster provide a link to

program information on the Town's website and possibly an insert in Town correspondence such as a water bill.

**Participant Selection:**

Participants are selected on a first come/first serve basis. Upon notice of funding, HECH will create a full application with directions to help with its completion. Program Management will also set up meetings in Brewster to privately assist applicants in completing the application. Applicants are informed that loan funds go on a first come/first served basis, thus encouraging the submission of applications. Bona fide emergencies are moved to the top of the list as necessitated.

**Final Eligibility Determination:**

The Program Manager and a Town of Brewster representative shall make all final eligibility determinations. Eligibility is determined by the following factors: review of income qualification documents, loan to value property analysis, number of code violations and feasibility of the project. Upon a favorable determination, detailed construction specifications and a bid package will be prepared.

**Risk Assessment, Bidding and Contracting Process:**

**Risk Assessment:**

After final income eligibility has been determined, the entire structure will be inspected for Housing Quality Standards (HQS) deficiencies by the Rehab Specialist. A Massachusetts Historic Project Notification Form will be submitted once the scope of work is determined and any comments by Massachusetts Historical Commission will be incorporated into the final work specifications.

**Preliminary Results/Recommendations:**

Inspection results and cost estimates will be discussed with owners (i.e. code violations present, methods of correction, Energy Star approved improvements, energy efficiency, etc.)

**Bidding and Contracting Processes:**

A draft work write-up will be created on the basis of the inspection, risk assessment and owner input. The Rehabilitation Specialist will specify environmentally friendly materials/products whenever they are

available at little or no additional cost. The draft work write-up, signed by the homeowner, will be given to the Program Manager who will contact all participating program contractors and schedule a “Walk Through” at the site. The Rehab Specialist and Program Manager will conduct the Walk Through and answer any questions. Modifications or corrections to the draft work write-up will result in the creation of a final work write up to be signed off by the homeowner and sent to all contractors for bidding. The work write-up is written in priority order and code or health and safety regulations are cited. Bids are due on a specific date at a specific time. Each bid must include a signed non-collusion statement. Any General Contractor is welcome to bid and will be notified of each bidding opportunity once they have filed their annual Contractor Registration that includes insurance, licenses, references, etc. Contractors may be asked not to bid if they are delinquent with the completion of other projects or if there are justified complaints from previous program participants. A Contractor Manual is provided to each new contractor and reviewed at the Annual Contractor Training Session held by the Program Manager and staff. All bids are submitted to the Program Manager and reviewed for accuracy. A bid recap sheet is then shared with the homeowner and all bidders. The program will pay for the lowest acceptable bid and that contractor will be hired by the homeowner in most circumstances. The homeowner may choose another contractor if they are willing to pay the difference between the low bidder and the chosen contractor. The homeowners’ funds will be expended before Community Preservation funds.

The Contractor shall obtain construction permits after the housing rehab contract is signed and prior to beginning work. The Contractor will contact the Rehab Specialist for inspections at least twice during each job, preferably more often. No contractor will be paid without an inspection and signatures of the homeowner, the Rehab Specialist and the Program Manager. Ten percent of each invoice will be held as retainage until the project is complete, inspected by the Rehab Specialist, Building Inspector and the homeowner. The contractor will supply the program with the final inspector sign-off documentation and completed permits with the final invoice. The Program Manager will verify that the work is complete, that material warranties have been supplied to the homeowner and that all contract requirements have been met. The program will adhere to all Federal, State and local regulations.

### **Oversight of Construction:**

Construction oversight is performed by a Rehab Specialist who is on-site to inspect work while in progress and for final work completed, thus assuring that the work performed is of high quality and meets current construction standards. In addition, the Rehab Specialist ensures that the work is being

performed in accordance with the timeline set forth in a contract signed between the contractor and homeowner. Finally, the Rehab Specialist confirms that the contractor has obtained all required permitting and it is secured and posted. Contractors are required to email photos of progress at various stages, such as the removal of an old roof. This allows the Rehab Specialist to track how the work is progressing while not on-site and provides additional and easily accessible documentation for the homeowner and the program. Once all the work is completed according to the specifications articulated in the contract, the required signatures are obtained and an invoice is processed. The required signatures include the homeowner, the Rehab Specialist, the contractor and the Program Manager. Final payments will not be made until all releases of liens are obtained and any required inspections are performed by the building inspector and the permits are signed and in the file.

**Project Closeout:**

At the project closeout, the results of any necessary environmental tests, septic or well tests and any product warranties are collected and provided to the homeowner. In addition, the homeowner is provided with a Contractor Evaluation form and a general Program Evaluation form. These ensure that there is a continuous feedback loop to assess overall program quality, contractor performance and client satisfaction.

## **2. CPA GOAL/CRITERIA**

The Housing Emergency Loan Program will meet the Community Preservation Act (CPA) “core community concerns (of) preservation and support of Community Housing.” The program will create four or more affordable housing units. Furthering the CPA objectives, 100% of the beneficiaries will be low to moderate income residents of Brewster. Both owner-occupied and landlord-owned properties are eligible for this program.

The program will enhance the quality of life for Brewster residents by turning burdensome housing conditions into affordable solutions. Our marketing material is entitled “From House to Home”, the line chosen to underscore the dramatic impact having a water-tight, dry, warm, safe home has on program participants.

In addition, the Program takes into consideration Historic Preservation as the Program Manager will complete an environmental review of each home and then submit the review, evaluation and/or any other testing required for project completion, to the appropriate authorities/agencies. A letter is sent to the Massachusetts Historical Commission for historic consideration. Historic houses in Brewster will be re-roofed and re-sided in the traditional Cape style.

Wherever possible, HECH will leverage other funding sources (SMOC, USDA, Cape Light Compact, Barnstable County Community Septic Management Loan Program etc.) to assist in providing the needed emergency services to qualified households.

### **3. COMMUNITY BENEFITS**

HECH is currently processing five HELP loans for qualified residents in the Town of Brewster. HECH has already begun a waitlist which includes three additional Brewster residents who would immediately benefit from this year's funding if it were available. Loans of up to \$25,000 will be available per unit on a first come, first served basis. The financing mechanism will be a 0% interest deferred payment loan to property owners. Mortgages will be recorded against each property. Should the property be sold or transferred, the funds are reimbursed to the Town of Brewster Community Preservation funds.

In the case of rental units, a 15-year binding, non-forgivable deed restriction will be placed on each unit, guaranteeing affordability.

#### **4. COMMUNITY SUPPORT**

Letters of support from Alice Boyd of Bailey Boyd Associates and H. Mark Hossfeld, Brewster resident and HECH Program General Contractor are included in the supporting documents section of this proposal.

Below is a list of HECH clients who have benefitted from our previous housing program and are available to you for reference. The bottom three references are currently being assisted by the Brewster HELP program; however the projects have not been finalized.

<b>Authorized Client Reference</b>	<b>Contact Information</b>
<b><i>Reven Oliver</i></b> “I simply cannot thank you enough for all that HECH has done to repair my home. I have been overwhelmed by my antique house that was so desperately in need of repair...”	<i>2147 Route 6 Wellfleet, MA 02667 508-349-7272</i>
<b><i>Rebecca Nazarian</i></b> “...I don’t know if it would have been possible to ever finance the work done on my home by myself...This program has restored much more than my home – I’m eternally grateful for this blessing.”	<i>74 Springbrook Rd Wellfleet, MA 02667 508-349-7327</i>
<b><i>Exanie Pierre</i></b> “...Nothing we can say to express our happiness, but we can only say thank you from the bottom of our hearts.”	<i>733 Queen Anne Rd Harwich, MA 02645 774-237-0309</i>
<b><i>Janet Donahue</i></b> “...My septic system and yard are done and I am thankful, relieved and most grateful. I never thought about the ramifications of not being able to shower, do dishes, use toilet or wash clothes. I am so appreciated for you amazing service...”	<i>17 Main Street W. Harwich, MA 02671 508-432-1413</i>
<b><i>Caroline Davenport</i></b>	<i>231 Governor Bradford Rd Brewster, MA 02631 508-896-3206</i>
<b><i>Debra Demarais</i></b>	<i>392 Main Street Brewster, MA 02631 774-212-2428</i>
<b><i>Jessica DiGravio</i></b>	<i>12 Daisy Lane Brewster, MA 02631 508-737-9303</i>



## **5. TIMELINE**

Market Program	immediately after notice of funding - Ongoing throughout program year
Pre-qualify Applicants	1 month after notice of funding - Ongoing throughout program year
Income Certification	1-2 months after notice of funding - Ongoing until minimum of 5 loans is met
Housing Inspection	2-3 months after notice of funding – Ongoing until minimum of 5 loans is met
Work Write Up Development	2-3 months after notice of funding - Ongoing until minimum of 5 loans is met
Seek Competitive Bids	3-4 months after notice of funding - Ongoing until minimum of 5 loans is met
Close Loan	4 months after notice of funding – last loan closed no later than 8 months after notice of funding
Record Mortgage and Deed Restriction	4 months after notice of funding – 8 months after notice of funding
Construction Begins	5 months after notice of funding – 10 months after notice of funding
Project Closeout	No later than 10 months after notice of funding

## **6. CREDENTIALS**

HECH is a highly respected organization known for its 24 year history of providing housing solutions for low to moderate income residents throughout Cape Cod. Founded by Bob Murray, affordable housing leader and tireless advocate, HECH's mission is to stabilize housing opportunities for year-round residents of Cape Cod. HECH accomplishes this through multiple programs including: self-managing 54 affordable rental units; administering Rental Assistance programs for the Towns of Dennis and Eastham; running The Children's Center in Harwich, an affordable daycare/preschool for working families; developing homeownership opportunities such as the Hinckley Homes development in Orleans; as well as through the CDBG-funded Housing Rehabilitation Program. Over the past two years, HECH has successfully completed over 90 housing rehabilitation projects for LMI residents and landlords for the Towns of Dennis, Harwich, Wellfleet, Truro and Provincetown, ensuring income-qualifying residents are able to stay on the Cape in safer, warmer homes.

The HECH team has extensive experience with income certification, title searches, affordable housing deed restrictions, promissory notes, loan agreements and mortgage recordings and construction. This includes training and certifications in CDBG compliance, and a solid and demonstrated commitment to working with low and moderate income families in the region. This combination of technical skill and mission-driven values results in an approach that is tailored to meet the client's needs, to help them complete the application process and to ensure that all program guidelines are fully satisfied. Furthermore, this approach ensures the program can be implemented expeditiously and within budget. All documents used in the program have been reviewed by legal counsel and there is a notary public on staff for the convenience of the program participants.

Team members also have experience and technical expertise in general construction supervision for rehabilitation and new housing construction as well as the submission of environmental review documents including Full 21E Environmental Assessments, EPA statutory checklists and lead testing. The team includes a construction specialist as well as a construction consultant available for additional support if needed. Finally, HECH has a track record of collaboration and has established relationships with organizations that are capable of providing supplemental construction funds including SMOC, MA DEP "Get the Lead Out" Program, and emergency support organizations such as Lower Cape Outreach Council, Homeless Prevention Council and a variety of local church groups. HECH has adopted a

program protocol of immediately helping homeowners access Cape Light Compact funding to address eligible energy efficiency upgrades included in the project. This allows limited loan funds to be used for other eligible urgent needs within the home or for additional projects in the region.

HECH has extensive relationships with area contractors, local building officials and licensed construction specialists. The Rehab Specialists are licensed construction professionals with many years on the job experience and much additional training. They have worked extensively with housing conditions typically found on Cape Cod including issues of lead paint and mold and have licenses and experience to correctly remediate problems. Our team is well-qualified to solicit bids and to assist homeowners in selecting a contractor that best meets their needs.

## **7. BUDGET**

<b>SOURCES:</b>	
Brewster CPA Funds	\$118,000
<b>TOTAL SOURCES</b>	<b>\$118,000</b>
<b>USES:</b>	
Brewster Housing Emergency Loan Program	\$100,000
Program Delivery (Payroll, Insurance, Overhead, etc.)	\$18,000
<b>TOTAL USES</b>	<b>\$118,000</b>

## **8. MAINTENANCE**

Should an owner-occupied house be sold or is transferred (whether by gift, law, sale or any other type of transfer) the balance of the loan will become due and payable. At no additional charge HECH will act as a conduit on the loan and direct the seller's attorney to prepare a check payable to the Town of Brewster replenishing Community Preservation Act funds. A mortgage discharge will be drawn up and provided to the seller's attorney for recording at the Barnstable County Registry of deeds.

*\*Property that is transferred to or inherited by a direct income-eligible heir who will live in the property as their primary residence is not subject to this clause.*

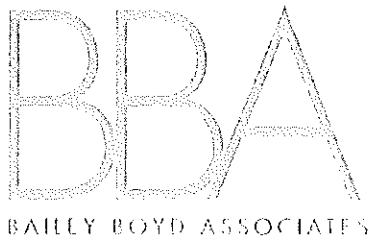
## **9. SITE CONTROL**

### **Mortgage/Deed Filing:**

The financing mechanism will be a 0% interest, forgivable loan to property owners. HECH's Housing Emergency Loan Program closing process includes the preparation of the mortgage, the deferred loan agreement and the promissory note. Once executed with the homeowner, the mortgage is filed with the Barnstable County Registry of Deeds.

If the property is transferred (whether by gift, law, sale or any other type of transfer) the loan will become due and payable to the Town of Brewster to replenish Community Preservation Act funds.

*Property that is transferred to or inherited by a direct income-eligible heir who will live in the property as their primary residence is not subject to this clause.*



November 18, 2014

To Whom It May Concern:

I am writing to support the Harwich Ecumenical Council for Housing (HECH) application to provide housing rehabilitation services for low to moderate income residents using Community Preservation funds. The Community Preservation Coalition has stated that housing rehabilitation programs for low to moderate-income residents is an eligible use of CPA funding and is a meaningful way to maintain existing local affordable housing.

As Grant Administrator for regional CDBG programs here on Cape Cod I work with HECH to provide housing rehab for residents of Provincetown, Truro, Wellfleet, Harwich and Eastham. HECH's Executive Director Susan Roettig is terrific to work with, as is her staff. Over the past two years HECH has rehabilitated approximately 45 homes owned by our low and moderate-income residents. HECH has consistently lived their mission of helping our most needy residents to remain in their homes while making the properties safe and accessible, repairing code violations, replacing roofs and completing critical weatherization projects.

Last week HECH assisted a local family with a failed septic system. The family members were showering outdoors in freezing weather...they were out of options and did not have the funds necessary to make the repairs. I have also seen HECH staff work with a housebound disabled veteran, providing a handicap-accessible bathroom and ramp. They have replaced furnaces in mid-winter for families without heat and have helped elderly residents as they struggle to maintain their homes. This program changes lives and HECH does a terrific job hiring the General Contractor's, outlining the work needed, going out to bid and supervising construction. A myriad of thank you notes support my comments.

Most importantly, if a home is sold over the course of the 15-year loan, the funds are reimbursed to the local CPC.

I would be delighted to answer any questions that you or your Committee Members may have in regards to HECH's housing rehab program and their exceptional results.

Sincerely,

Alice B. Boyd

**H. Mark Hossfeld**  
**Builder, Civil Engineer Grad and Designer**

240 Holly Ave., Brewster, MA 02631  
508-255-6096

Town of Brewster  
Community Preservation Committee  
2198 Main Street  
Brewster, MA 02631

November 26, 2014

RE: Harwich Ecumenical Council for the Homeless, Inc.

Dear Community Preservation Committee,

I am writing to convey my support for the proposal being submitted by Harwich Ecumenical Council for the Homeless, Inc. (HECH) to provide housing services for the Community Preservation Committee. I both live and work in Brewster having, a general contracting business.

I have been a contractor for HECH in their rehab program for the past couple of years. I have found working with the people of HECH to be very easy and quite enjoyable. They do such a wonderful job in helping families to bring their homes not only up to code, but to make them comfortable and loved by their owners once again. If not for HECH, many of these families would be living in unsafe and certainly uncomfortable homes. It has been my pleasure and honor to work with HECH, and I hope to do so for many years to come.

I can say with confidence that they will not only fulfill the activities as promised but will bring a high level of commitment to the people that will be served by this program.

Thank you for your consideration.

Regards,

H. Mark Hossfeld

A handwritten signature in blue ink that reads "H. Mark Hossfeld General Contractor". The signature is written in a cursive, flowing style.